

**DESERT HEALTHCARE DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES  
May 23, 2017**

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A Meeting of the Board of Directors of the Desert Healthcare District was held in the Arthur H. "Red" Motley Boardroom, Palm Springs, CA.

**Attendance**

Members

Carole Rogers, RN – President  
Kay Hazen – Vice-President/Secretary  
Mark Matthews – Treasurer  
Jennifer Wortham, Dr.PH - Director  
Les Zendle, MD – Director

Absent

Staff

Herb K. Schultz, CEO  
Chris Christensen, COO/CFO  
Donna Craig, Chief Grants Officer  
Alejandro Espinoza, Director Programs/Projects  
Mary Pannoni, Accounting/Admin. Support  
Andrea S. Hayles, Clerk to the Board

Legal Counsel

Blaise Jackson

Guests

Michelle Finney, Interim CEO, DRMC  
Rich Ramhoff, Director of Marketing, DRMC  
Rosalie Murphy, Desert Sun  
Maria Elena Geyer, CEO, Gilda's Desert Cities  
Cheryll Dahlin, Management Analysis, CVAG

**CALL TO ORDER**

The meeting was called to order at 2:03 pm by President Rogers.

**APPROVAL OF AGENDA**

President Rogers asked for a motion to approve the agenda.

**#17-39 MOTION WAS MADE by President Rogers and seconded by Director Matthews to approve the agenda.**

**Motion passed unanimously.**

**Roll Call Vote:**

**AYES            5   Director Zendle; Director Wortham; Director Matthews;**

Vice President Hazen; President Rogers

NOES: 0  
ABSTAIN:  
ABSENT:  
Motion Passed 5-0

#### **PUBLIC COMMENTS**

None

#### **CONSENT AGENDA**

Submitted for approval:

1. BOARD MINUTES
  - a. Meeting of April 25, 2017

**#17-40 MOTION WAS MADE by Director Matthews and seconded by President Rogers to approve the Consent Agenda with a correction to the Minutes that includes 2.a. bullet point – Director Matthews “explained” that monies were moved from reserves into the former Desert Hospital employee retirement account, and e. on page 7 with a revision to the title as Hospital Governance and Oversight Committee.  
Motion passed unanimously.**

**Roll Call Vote:**  
**AYES 5 Director Zendle; Director Wortham; Director Matthews;  
Vice-President Hazen; President Rogers**  
**NOES: 0**  
**ABSTAIN:**  
**ABSENT:**  
**Motion Passed 5-0**

#### **2. FINANCE & ADMINISTRATION**

- a. Consideration to approve District April 2017 Financial Statements

**#17-41 MOTION WAS MADE by Director Matthews and seconded by Director Zendle to approve the District April 2017 Financial Statements.  
Motion passed unanimously.**

**Roll Call Vote:**  
**AYES 5 Director Zendle; Director Wortham; Director Matthews;  
Vice-President Hazen; President Rogers**  
**NOES: 0**  
**ABSTAIN:**  
**ABSENT:**  
**Motion Passed 5-0**

## **DESERT HEALTHCARE DISTRICT CEO REPORT**

- Herb K. Schultz, CEO, provided an overview of the recent Special Board Meeting and summarized recent discussions with Riverside County related to the East Valley Expansion and shared details of the May 4 Town Hall co-hosted by Assemblymember Eduardo Garcia.
- Mr. Schultz outlined various community discussions underway on homelessness, the West Valley Initiative pooled-fund, and his presentation to the Desert Regional Medical Center Governing Board on the District/Foundation's Mission, new Vision, lease compliance, and the new Hospital Governance and Oversight Committee.
- Vice-President Hazen requested an update of last month's public questions and comments. Mr. Schultz explained that legal counsel responded via a letter to Mr. Ezra Kauffman answering questions raised regarding open meetings of Desert Regional Medical Center Governing Board, capital projects, and the definition of capital projects.
- Ezra Kauffman commented that he believes the term capital project was not adequately answered in the response. President Rogers noted that the Board would consider Mr. Kauffman's comments.

## **DESERT REGIONAL MEDICAL CENTER INTERIM CEO REPORT**

- Michele Finney, Desert Market CEO, and Interim CEO gave a summary of recent activity at Desert Regional Medical Center including status reports regarding preventive maintenance, upgrades, and the Southern California Edison transformer replacements.

## **DESERT REGIONAL MEDICAL CENTER GOVERNING BOARD OF DIRECTORS REPORT**

- Director Zendle presented the report of the Desert Regional Medical Center Governing Board of Directors. Dr. Zendle described Mr. Schultz's presentation on East Valley Expansion at the May Governing Board of Directors Meeting, commenting that it was well received. Director Zendle also relayed that the hospital recently held its Annual Employee Recognition Program distinguishing employees from 5 to 52 years of service, and that Beverly Fick, new Chief Nursing Officer, had recently joined the Executive Leadership Team.

## **INFORMATIONAL ITEMS**

None

## **COMMITTEE REPORTS**

- 1. Program Committee – Chairman Vice-President Hazen**
  - Director Hazen explained that last month the Board acted on approval of Gilda's Club Desert Cities Healthy Living Program (HeLP) grant. The Program Committee approved the recommended budget line item revision for approval of the Board.
    - a. Draft Minutes of May 9, 2017, meeting
    - b. Pipeline FY June 30, 2017
    - c. Progress Reports
      1. Grant #899 Pegasus Riding Academy
      2. Grant #862 Visiting Nurse Association
    - d. Pending Requests for Consideration
      1. Grant #929 Gilda's Club Desert Cities:

*HeLP – Healthy Living Program*

\$142,000 with revised line-item budget and report on sustainability evaluation.

**#17-42 MOTION WAS MADE by Vice-President Hazen and seconded by President to approve the Healthy Living Program (HeLP) \$142,000 revised line-item budget and report on sustainability evaluation.**

**Motion passed unanimously.**

**Roll Call Vote:**

**AYES 5 Director Zendle; Director Wortham; Director Matthews;  
Vice-President Hazen; President Rogers**

**NOES: 0**

**ABSTAIN:**

**ABSENT:**

**Motion Passed 5-0**

**2. FINANCE, ADMINISTRATION, REAL ESTATE, AND LEGAL COMMITTEE - Director Matthews**

- a. Draft minutes of May 9, 2017 meeting
- b. COO Report & Las Palmas Leasing Update
- c. FY 17-18 Draft Annual Budget
- d. Consultant Agreement to Operationalize Strategic Plan (Mary Odell)

- Director Matthews highlighted items from the most recent committee meeting, including the COO Report, Las Palmas Leasing update, and a \$9,000 Consultant Agreement to Operationalize the Strategic Plan are included in the packet. The FY 17-18 Draft Annual Budget is for informational purposes that the Committee reviewed.
- Vice-President Hazen expressed concerns about approving a consultant agreement for activity recommended in a Strategic Plan that has not yet been finalized. Herb K. Schultz, CEO, explained that there was a draft agreement implemented for review by the F&A Committee - further stating that there was a recommendation to bring forth an implementation plan on the programmatic side, and utilize the agreement based on those recommendations.
- Vice-President Hazen explained that her preference is for a process that first considers and takes action on the Strategic Plan, and then considers the scope of work for any consultants needed to implement approved elements therein.
- Vice-President Hazen recommends waiting to approve the agreement on the agenda until after the Board approves the final Strategic Plan scheduled for the June Board Meeting.

**#17-43 MOTION WAS MADE by Vice-President Hazen and seconded by Director Matthews to table the consultant agreement to operationalize the Strategic Plan. Motion passed unanimously.**

**Roll Call Vote:**

**AYES 5 Director Zendle; Director Wortham; Director Matthews;**

**Vice-President Hazen; President Rogers**

**NOES: 0**

**ABSTAIN:**

**ABSENT:**

**Motion Passed 5-0**

**3. HOSPITAL GOVERNANCE AND OVERSIGHT COMMITTEE**

- Director Zendle reported that several members of the Desert Regional Medical Center Hospital Governing Board are interested in participating in the first Hospital Governance and Oversight Committee meeting in early June.
- Herb K. Schultz, CEO, advised the Board that Staff has been directed by the Committee to prepare a document that explores the first 6 to 9 months of the committee and potential topics of discussion.

**4. AD HOC COMMITTEE ON DISTRICT EXPANSION**

- Herb K. Schultz, CEO, gave an overview of the Expansion timeline for the LAFCO hearing after the submission of a funding source stating that the county negotiations commenced on May 8.
- Director Wortham explained that she wants to ensure that the District is proposing several viable options as opposed to only one option.
- Director Zendle believes that the County has neglected public and indigent health care and should assist the District as one of the funding mechanisms of the expansion. Additionally, Director Zendle does not recommend a parcel tax since those in the west already pay full property tax.
- Vice-President Hazen suggested directing Staff and the Ad Hoc Committee to finalize the negotiations with the County, bring the options to the Ad Hoc Committee for vetting, and present final recommendations to the Board at the June meeting.

**OLD BUSINESS**

**West Valley Homelessness Initiative**

- Herb K. Schultz, CEO, thanked the Program Committee and Donna Craig, Chief Grants Officer for their work on the Initiative. Mr. Schultz outlined the draft framework for the West Valley Homelessness Initiative explaining the resources and stakeholders in Palm Springs, Desert Hot Springs, and Cathedral City.
- President Rogers explained that she discussed in detail with Director Wortham her role as a recommended Board member to represent the District on the Coachella Valley Association of Governments (CVAG) Homelessness Committee.
- Vice-President Hazen suggests moving forward to explore the potential role the District might play in development of a long-term facility, including the options for building/owning, lease, and/or retrofitting an existing facility. In addition, Vice-President Hazen suggested speaking with existing providers, and exploring the potential for leveraging private funding with the District's funding similar to a public-private partnership.
- Mr. Schultz explained that the next steps are to continue with the discussions, meet with other agencies, and provide recommendations to the Board.

- Director Matthews provided information for the city of Long Beach and Salt Lake City's role of identify housing, rental move-in assistance, and case management services.

#### **NEW BUSINESS**

None

#### **LEGAL COUNSEL COMMENTS & REPORTS**

- Blaise Jackson, Legal Counsel explained that SB-562 Single-Payer is up for a formal vote, and provided additional details on the vote.

#### **DIRECTORS' COMMENTS & REPORTS**

- Vice-President Hazen called attention to the fact that in June, Herb K. Schultz, CEO, will be due a six-month evaluation, as described in the policy updated last year.

ADJOURNMENT TO EXECUTIVE SESSION at 3:45 p.m.

RECONVENE TO CLOSED SESSION OF THE DESERT HEALTHCARE DISTRICT BOARD OF DIRECTORS

1. REPORT INVOLVING TRADE SECRETS pursuant to Health & Safety Code 32106 – Discussion concerning proposed new services and facilities. Estimated date of public disclosure: December 2017.

- The Board took no action on the Closed Session Item.

REPORT AFTER CLOSED SESSION

#### **ADJOURNMENT**

The meeting adjourned at 5:06 p.m.

ATTEST: \_\_\_\_\_

Kay Hazen, Vice-President/Secretary  
Desert Healthcare District Board of Directors

*Minutes respectfully submitted by Andrea S. Hayles, Clerk to the Board*